Statement

Major suggestions made at the State Power Minister Conference held on 11-12*th September,* 1990

(i) Establishment of Regional Tariff Advisory Committees for determining an appropriate structure for sale of electricity in the Region from the Central Stations as well as from the generating stations of the State Electricity Board/Power Utilities. The terms of reference of the Committee would be decided after further consultation with the States;

(ii) Setting up of a System Improvement Fund for each region, the modalities of which would be worked out by an Expert Committee;

(iii) Compensatory afforestation in the cases of Transmission Lines passing over forest land should be dispensed with;

(iv) The embargo on posing of power projects for bilateral external assistance should be reviewed in view of the overall scarcity of resources;

(v) Levy of import duty on proprietory items required for the renovation and modernisation of existing power stations which is at present much higher than that on power equipment for new stations should also be at the same level if it could not be waived totally;

(vi) In view of the Central Government's anxiety to speed up implementation of externally aided power projects, the external assistance received should be onlent to project authorities in its entirety and on the same terms; and

(vii) Each State Eelctricity Board/Power Utility would establish a full time energy conservation cell under an officer of the rank of Chief Engineer to devise and implement energy conservation measures.

Plant Load Factor of Power Plants

368. SHRI SURESH PACHOURI: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that nearly 130 power plants with their boilers as old as 30 years need immediate life extension and they can be brought to operate at a plant load factor of 60 per cent;

(b) whether these plants are at present running below 40 per cent capacity; and

(c) if so, what steps are being taken by Government either to remove these boilers or improve their functioning so that the capacity is increased?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI BABANRAO DHAKNE): (a) and (b) There are around 74 power plants with their boiler as old as 30 years. Of these, nearly 50 power plants are of very small capacities ranging from 1.25 MW to less than 20 MW aggregating to a total installed capacity of 461.88 MW. The remaining 24 power plants are in the capacity range of 20 to 75 MW aggregating to a derated capacity of 840 MW. Out of 24 power plants 9 units are under long duration outages or damaged. The rest of the 15 units are operating at an average plant load factor (PLF) of around 42 per cent.

(c) Out of 24 number of power plants, it is proposed to carry out Renovation and Modernisation works on 12 number of units with aggregating capacity of 480 MW under R&M phase-I programme. It is also proposed to carry out life extension studies on 2 number of units aggregating to 60 MW under World Bank Loan Assistance Programme.

Outstanding subsidies of State Governments to the State Electricitp Boards

369. SHRI SURESH PACHOURI: Will the Minister of ENERGY be pleased to state:

(a) whether his Ministry have suggested that the State Governments should liquidate their outstanding subsidies to the State Electricity Boards on a time bound basis and clear the backlog by March, 1991;

(b) if so, whether the State Governments have considered the suggestions made by the Union Government; and

(c) how many State Governments have accepted the suggestion and paid subsidies due to the State Electricity Boards and how many State Governments have rejected the suggestion?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI BABANRAO DHAKNE): (a) Yes, Sir.

(b) and (c) None of the State Governments has responded.

Low production of coal

370. SHRI SURESH PACHOURI: Will the Minister of ENERGY be pleased to state:

(a) whether coal industry in the country has been plagued by various problems during the last few years leading to low production and decreasing profits;

(b) if so, what are the main reasons for the deterioration in the coal sector;

(c) whether Government have decided to set up a Committee to go into the matter; and

(d) if so what are the details in this regard?

THE MINISTER OF ENERGY (SHRI KALYAN SINGH KALVI): (a) The production and profitability data for Coal India Limited for last three years is as below:—

(Data provisional)

(+)=profit

(–)=loss

Year	Production (million tonnes)	Pofit/ loss (Rs. in crores)
1987-88 . .	159·06	(–)224-64
1988-89 . .	171·50	(–)23·26
1989-90 . .	178·62	(+)80·13

From the above data it is seen that production of coal is on the increase and financial performance of Coal India Limited is also improving.

(b) to (d) Do not arise.

Speedy clearance of Cargo at Airports

371. KUMARI ALIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are taking any steps to ensure speedy clearance of export-import cargo at airports; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI HARMOHAN DHAWAN): (a) and (b) The following policy decisions have been taken to increase the number of cargo flights from India and thereby ensure speedy clearance of export cargo by air:

(i) Open Sky Policy made permanent to facilitate foreign carriers to plan their operations on a long term basis.

(ii) Deregulation of freight rates, so that the rates are determined by the demand and supply situation.

(iii) Abolition of mandatory rates applicable to Air India.

(iv) In the fleet aquisition programme of Air India, preference will be given to combi-aircraft.

(v) Air India has been instructed to convert its old B-747 passenger aircraft into freighter when new aircraft become available.

(vi) Favourable consideration to foreign carriers operating passenger frequencies with combi-aircraft on terminator basis.